



Broadband Technology Opportunities Program and Broadband Initiatives Program

Notice of Funding Availability (NOFA)
February 26, 2010



AGENDA

- BTOP Round Two
- BIP Round Two
- Suggestions
- Compliance
- Resources



LinkAMERICA

- LinkAMERICA's multidisciplinary alliance of experts provides policymakers with actionable plans for broadband deployment that balance the needs of citizens, businesses and service providers.
- Our comprehensive approach analyzes both the supply- and demand-side barriers to broadband deployment to deliver results that are fact-based, research-focused and consensus-driven.



Independent · Research-focused · Consensus-driven · Cost-effective



PROGRAM ELEMENTS

Nov. 2009

Nov. 2011

First Dataset
March 31, 2010

Second Dataset
Sept 1, 2010

Third Dataset
March 1, 2011

Final Dataset
Sept 1, 2011

Data Collection, Mapping, & Validation...

...development and
maintenance of online /
interactive maps

Broadband Planning

...development of regional adoption
plans and engaged local leadership

Provider/Stakeholder Stewardship

...development of well informed
providers and other stakeholders to
secure additional grant funding

Note: NTIA may extend mapping activities beyond 2011

STATUS AND NEXT STEPS

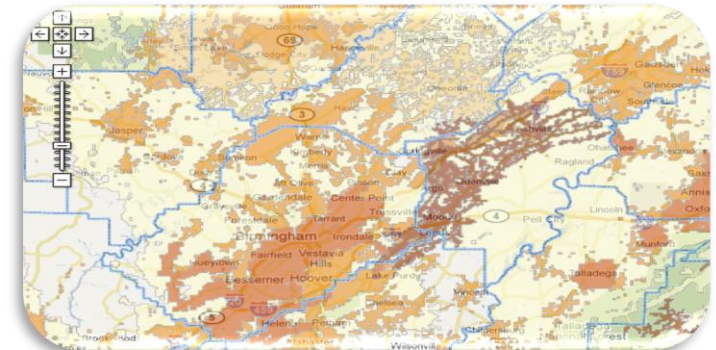
Data Collection and Mapping

Status

- First round data collection deadline was February 5th, 2010
- 73% of Alabama providers submitted data

Next Steps

- Data formatting and normalization (currently underway)
- Provider review of output via secure website (late February)
- Final corrections (March)
- First data submission to NTIA – March 31, 2010
- Additional Provider surveys to update data
 - July/August 2010
 - January/February 2011
 - July/August 2011
- Encourage expanded participation





STATUS AND NEXT STEPS

Broadband Planning

Status

- Initial interviews and Alabama Broadband Vision document completed in 2009
- Chamber of Commerce Association of Alabama (CCAA) engaged to assist in local planning/adoption efforts

Next Steps

- Additional Consumer/Business surveys
 - Confirm most recent availability maps
 - Validate priorities
- Generate demand maps
 - Show most critical areas for expansion within state
- Regional planning
 - CCAA/LinkAmerica staff engage key local organizations/companies to expand BB access and adoption



STATUS AND NEXT STEPS

Stewardship

Status

- Provider workshops for mapping held in Sept. & Oct. 2009
- Ongoing telephone and e-mail support for provider mapping
- Improved provider data collection process in place for next round
- Support for grant-seeking providers and stakeholders
 - BTOP/BIP Round 2 Webinar – Feb. 8
 - BTOP/BIP Round 2 Workshop – today!

Next Steps

- Continued support for new grant programs
 - Grant Playbook – with regular updates
 - Maps for identification of served/unserved areas
 - Development of plans focused on regional priorities



BIP/BTOP ROUND 2 TIMELINE

- Application window is now open.
- Applications are due March 15, 2010 at 5:00 PM EDT.
- Initial application window does NOT include applications for BIP's New Satellite, Technical Assistance, and Rural Library Broadband projects.
- NTIA begins announcing Round 2 awards on a rolling basis starting in June 2010, and is expected to finish by September 30, 2010.
- All applicants must:
 - File electronically on www.broadbandusa.gov; and
 - Obtain a current registration in the CCR Database and obtain a DUNS number.



ROUND 1 HIGHLIGHTS

Applications Filed:

- 2311 Total (141-AL)
- 414 BIP Infrastructure (12-AL)
- 273 BTOP Infrastructure (104-AL)
- 884 BTOP/BIP Infrastructure (25-AL)
- At least 1300 rejected thus far.

Grants Awarded:

- 10 BIP Last Mile
- 13 BTOP Middle Mile
- 5 BTOP Last Mile
- 5 BTOP Sustainable Adoption
- 12 BTOP Public Computer Center

Number of Grants by State:

AL-1, AK-2, AZ -1, CA -4, CO-1, FL-1, GA-1, HA-1, IA -3, IL-1, IN-1, KS-1, LA-2, ME-1, MA -2, MI-4, MN-1, NH-1, NM-1, NY-3, NC-1, ND-1, OH-1, OK-1, OR-1, PA-2, RI-2, SC-2, SD-1, TN-1, UT-1, VA-2 VI-1, WA-2, WI-1, WV-2

BTOP Award Winners:

<http://www.ntia.doc.gov/broadband/grants/projects.html>

BIP Award Winners:

http://www.usda.gov/wps/portal/!ut/p/_s.7_0_A/7_0_1OB?contentidonly=true&contentid=2010/01/0032.xml



SEPARATE BIP/BTOP PROCESS

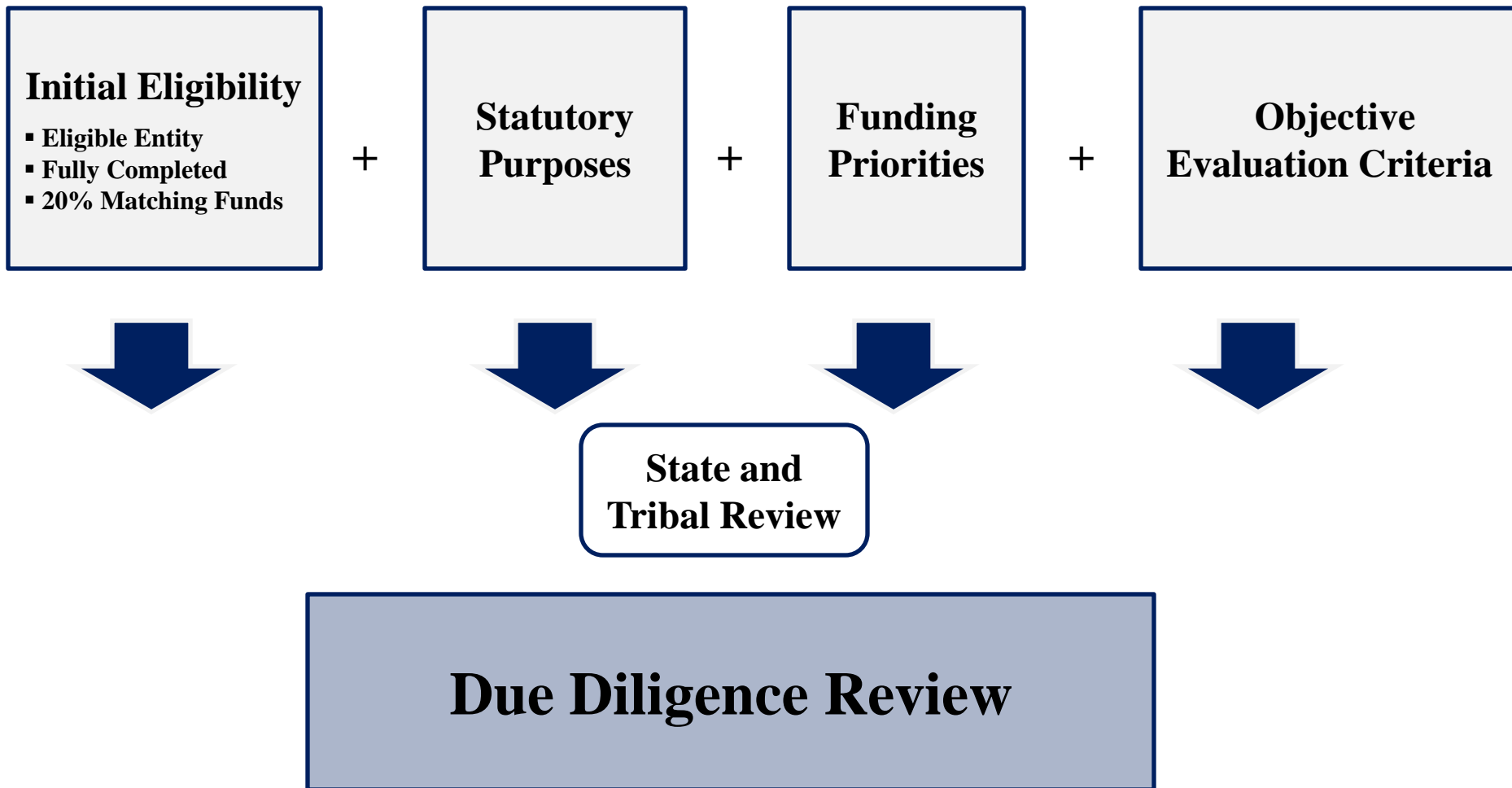
- No joint applications allowed for BTOP/BIP.
- Applicants eligible for both BTOP and BIP have the option to apply to either agency for funding for the same project, but applicants should apply to only one agency for a given project.
- Broadband Match website.



BTOP CHANGES FROM ROUND ONE

- Focuses on “Comprehensive Community” Infrastructure Projects.
- Removes unserved and underserved requirement, but applications serving these areas may receive additional consideration.
- Eliminates requirement for professional engineer certification.
- Eligibility criteria: (1) Eligible entities, (2) Fully completed application, (3) Match.
- Waiver requests for restrictions on sale/lease of funded assets may be submitted anytime during the life of the equipment.
- BTOP applicants must provide eight-year pro forma financials.
- NTIA may refer CCI applications to RUS.
- Applicants will need to provide more specific demographic data, i.e. median income.

BTOP PROCESS





FUNDING CATEGORIES

- **Comprehensive Community Infrastructure (CCI)**

Focuses on Middle Mile broadband infrastructure projects that offer new or substantially upgraded connections to community anchor institutions, especially community colleges.

- Anticipated Funds: \$2.35 billion
- Awardee Funding range: \$5 million to \$150 million

- **Public Computer Centers (PCC)**

Expands public access to broadband service and enhance broadband capacity at entities that permit the public to use these computing centers, such as community colleges and public libraries.

- Anticipated Funds: at least \$150 million
- Awardee Funding range: \$500,000 to \$15 million

- **Sustainable Broadband Adoption (SBA)**

Funds innovative projects that promote broadband demand, including projects focused on providing broadband education, awareness, training, access, equipment, or support, particularly among vulnerable population groups that traditionally have underutilized broadband technology.

- Anticipated Funds: at least \$100 million
- Awardee Funding range: \$500,000 to \$15 million



BTOP CCI PRIORITY CRITERIA

NEW!

1. Middle Mile BB infrastructure with commitment to offer new or substantially upgraded service to community anchor institutions;
2. Middle Mile BB infrastructure incorporating a public-private partnership;
3. Middle Mile BB infrastructure to bolster growth in economically distressed areas;
4. Middle Mile BB infrastructure with a commitment to serve community colleges;
5. Middle Mile BB infrastructure with a commitment to serve public safety entities;
6. Middle Mile BB infrastructure that includes:
 - (i) Last Mile infrastructure component in unserved or underserved areas; or
 - (ii) commitments or non-binding letters of intent from one or more Last Mile broadband service providers; and
7. Middle Mile BB infrastructure projects with a 30% or greater match.

To the extent that an applicant does not address all of these criteria, NTIA will prioritize those applications in the order that they satisfy the most highly-ranked criteria (#1-6, then #1-5, then #1-4, then #1-3, etc..)

Note: A direct connection (between a centralized facility and a community anchor institution, business customer, or third party service provider is considered to be a Middle Mile component. Last mile service is generally directed to residential and consumer services.”



EVALUATION CRITERIA

NTIA has created a new scoring mechanism for BTOP applications with four new evaluation criteria:

- Project Purpose;
- Project Benefits;
- Project Viability; and
- Project Budget and Sustainability.



PUBLIC NOTICE

- NTIA will post each CCI application's list of proposed census block groups/ tracts on www.broadbandusa.gov.
- Existing service providers will have 15 days to voluntarily submit service data.
- NTIA will similarly post PCC and SBA applications.
- NTIA eliminated mapping tool.



BIP CHANGES FROM ROUND ONE

- Grant/Loan Allocation is now 75% grant and 25% loan.
- Due diligence stage removed.
- Census bloc reporting eliminated and replaced with census block groups and census tracts.
- RUS now limits funding to no more than \$10,000 per premise, unless requesting waiver. (BTOP is per household)
- Awardees must comply with all Recovery Act obligations which will extend for the life of the award-funded facilities.
- Ten year holding rule on award-funded facilities. Applicant may now request waiver.
- Only three-year capital lease for facilities can be funded rather than five-year lease.
- Second Review at agency's discretion.
- Interconnection and Non-Discrimination. Obligated to follow any new FCC rules.



BIP ELIGIBILITY

- Eligible Service Areas are those more than 75% rural (middle mile 75% of interconnection points) and with less than 50% high-speed access.
- Fully Funded, Financial Feasibility, Technical Feasibility.
- RUS will limit federal assistance for Last Mile projects to \$10,000 per premises passed in the proposed funded service area, unless waiver. **NEW!**
- Satellite, Library and Tech Assistance details TBA.
- An applicant may request a waiver to exceed the 75% grant limitation, if they can show:
 - Distance from non-rural area
 - Rural area targeting
 - Density
 - Median household income
 - unemployment



BIP FUNDING CATEGORIES

Last Mile (at least \$1.6 billion):

- RUS is primarily focused on Last Mile.
- Proposed areas must be 75%+ rural with 50% or more lacking high-speed access.
- 75% grant / 25% loan combo with no cash match.
- Awards will be limited to \$10,000 per premises passed:
 - Ensures as many households as possible have access to high speed broadband service.
 - To calculate, take total award requested/ total premises passed with facilities funded by award.

Middle Mile: (at least \$300 million):

- RUS encourages only former/current RUS loan/grant recipients to apply for Middle Mile.
- 75% of the interconnection points must be in rural areas with no more than 50% of the premises having High Speed Access.

Ineligible Service Areas:

- RUS will not fund more than one project to serve any given geographic area.
- Service areas of existing RUS borrowers providing broadband service.
- Service areas of awardees under the first round BIP/BTOP NOFA.



BIP FUNDING CATEGORIES

Satellite Projects **NEW!** (at least \$100 million):

- Must provide CPE at no cost, i.e. installation and activation fees.
- Must provide subscribers a 25% reduction for at least the first year of service.
- Country divided into 8 regions with one winner per region. Applicants may apply for multiple regions.

Rural Library Broadband **NEW!:**

- Reimburse associated costs for connecting a rural library.

Technical Assistance **NEW!:**

- Applicants may request may submit a request for an additional grant up to \$200,000 to develop a regional broadband development strategy in rural areas.

Rules forthcoming for Satellite, Rural Library Broadband and Technical Assistance.



BIP SCORING HIGHLIGHTS

- Distance from Non-Rural Areas.
- Title II Borrowers now receive eight points up from five.
- RUS Administrator may award up to ten bonus points for projects that provide significant assistance to critical community facilities, promote rural economic development, support persistent poverty counties, serve chronically underserved areas, demonstrate cost effectiveness, offer low-cost service options, and/or provide for geographic diversity. These points may not raise an Applicant's score to more than 100 points.
- RUS no longer offers a due diligence stage.
- Environmental Questionnaire must be completed with the application.



BIP PUBLIC NOTICE

RUS will post a Public Notice of the proposed funded service areas of each Last Mile application, and the communities in which the interconnection points terminate for Middle Mile applications At, for a 30 day period.

BIP MAPPING

- For Middle Mile projects, applicants must show:
 - The interconnection points. If in a Census place, draw the boundaries of the Census place. If not in a Census place, draw the interconnection point at the closest Census place. **This differs from what was required in Round 1.**
 - Indicate per interconnection point which portion does not have High Speed Access.;
 - Indicate per interconnection point which portion is unserved.

- For Last Mile proposed funded service areas, applicants must show:
 - Separate polygons for each contiguous service area included in the application.
 - The area within the rural portion of each service area without access to 5 Mbps broadband service.
 - The unserved area, if applicable, within the rural portion of the service area.



LAST MILE AND MIDDLE MILE SECOND REVIEW

- Subject to available funding, Applicants with applications that have not been approved under the first review, may be requested to provide additional information.
- Applicants will have no more than 15 days to provide the additional information.



APPLICATION SUGGESTIONS

- DATA. DATA. DATA.
- Letters of support must be very specific and data-driven
- Convincing Methodology
- Show historical problem and how your project solves problem
- Credible Subscriber Forecast Based on Clear, Detailed Methodology
- Work early with State Governor's office
- Partner with Small and Disadvantaged Businesses, Indian Tribes
- Consistency in budget and financials
- 30% Cash Match
- Reasonable Cost per Mile (Middle Mile) or Household (Last Mile)
- Leverage Existing Network Assets via Leasing (if possible)
- Composite Set of Revenues for All Project Members
- Financial Need Based on Business Case



THE IMPORTANCE OF REPORTING

"We cannot overstate the importance of this effort. We are asking the American people to trust their government with an unprecedented level of funding to address the economic emergency. In return, we must prove to them that their dollars are being invested in initiatives and strategies that make a difference in their communities and across the country. Following through on our commitments for accountability and openness will create a foundation upon which we can build as we continue to tackle the economic crisis and the many other challenges facing our nation."

OMB Memorandum to Heads of Departments and Agencies, February 9, 2009

www.recovery.gov/files/recoverylegislationmemo.pdf

APPLICABLE REGULATIONS SPECIFIC TO ORGANIZATION TYPE

Type	Administrative	Cost Principles	Audits
For-Profit	Circular A-110 (7 CFR Part 3015)	48 CFR Part 31.2	7 CFR Part 1773
Higher Education	Circular A-110 (7 CFR Part 3015) (7 CFR Part 3019)	OMB Circular A-21	OMB Circular A-133
Non-Profit	Circular A-110 (7 CFR Part 3015) (7 CFR Part 3019)	OMB Circular A-122	OMB Circular A-133
State and Local Governments	Circular A-102 (7 CFR Part 3015) (7 CFR Part 3016)	OMB Circular A-87	OMB Circular A-133



ENFORCEMENT PENALTIES

- Suspension of payment
- Suspension of award
- Termination for cause
- Termination for convenience
- Debarment and Suspension
- Deobligation



ARRA REPORTING DEFINITIONS

- Prime Recipients (PR)
 - Non-Federal entities that receive Recovery Act funding as Federal awards.
 - Ultimately responsible for reporting.
 - Must register on FederalReporting.gov
- Sub-Recipients (SR)
 - Non-Federal entities awarded Recovery funding through a PR.
 - Receives a contract, grant, or loan from PR to support any project performance funded by the Recovery Act.
 - PR may delegate SR to file on FederalReporting.gov.
 - Individuals reporting for SR must register as a user of FederalReporting.gov



ARRA 1512 QUARTERLY REPORTS

Quarterly Reports will include:

- Total amount of recovery funds received;
- Amount of recovery funds received that were expended or obligated to projects or activities; and
- Detailed list of all projects for which recovery funds were expended or obligated, including:
 - Name of the project or activity;
 - Description of project or activity;
 - Evaluation of project completion status; and
 - Estimate of number of jobs created and retained.

DOC DEADLINES AND REQUIREMENTS

- Financial Reports
 - Financial Status Report ([SF-269](#)) due for periods ending March 31 and October 30 (2010 and 2011).
 - Final SF-269 due 90 days after expiration date of award.
- Programmatic Reports
 - Due for periods ending March 31 and September 30.
 - Final report due 90 days after award expiration date.
 - Report will include:
 - Comparison of actual accomplishments with established goals and objectives, investigator's findings, or both.
 - Reasons why established goals were not met; and
 - Other pertinent information, i.e. analysis and explanation of cost overruns or high unit costs.
- Recipients must notify Grants Officer in writing if other financial assistance is received.
- Financial Records, Supporting Documents, statistical records, and all other pertinent records shall be retained for 3 years.

RESOURCES

- BroadbandUSA.gov Compliance

<http://broadbandusa.sc.egov.usda.gov/compliance.htm>

- DOC Award Terms and Conditions

<http://oam.ocs.doc.gov/docs/GRANTS/DOC%20STCsMAR08Rev.pdf>

- Office of Management and Budget Guidance

http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf

- Recovery.gov

<http://www.recovery.gov/?q=content/recipient-reporting>

RESOURCES

- Bureau of Labor Statistics breaks down unemployment statistics by state, county, and city. BLS also provides a mapping tool

<http://www.bls.gov/lau/home.htm>

<http://data.bls.gov/map/servlet/map.servlet.MapToolServlet?state=15&datype=unemployment&year=2009&period=M12&survey=la&map=county&seasonal=u>

- Small Business Administration provides database on Small and Disadvantaged Businesses

http://dsbs.sba.gov/dsbs/search/dsp_dsbs.cfm



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